

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 1 be amended to read as follows:

- 1 Page 99, between lines 3 and 4, begin a new paragraph and insert:
2 "SECTION 61. IC 36-1-3-8.5 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: **Sec. 8.5. (a) This section does not apply to a**
5 **township.**
6 **(b) As used in this section, "excise tax" means the following:**
7 **(1) A tax on every person engaged in the business of renting**
8 **or furnishing, for periods of less than thirty (30) days, any**
9 **room or rooms, lodgings, or accommodations in any:**
10 **(A) hotel;**
11 **(B) motel;**
12 **(C) boat motel;**
13 **(D) inn;**
14 **(E) college or university memorial union;**
15 **(F) college or university residence hall or dormitory; or**
16 **(G) tourist cabin;**
17 **located in the unit. However, a unit may not impose a tax**
18 **described in this subdivision on gross income received in a**
19 **transaction in which a student rents lodgings in a college or**
20 **university residence hall while that student participates in a**
21 **course of study for which the student receives college credit**
22 **from a college or university located in the unit, or in which**
23 **a person rents a room, lodging, or accommodations for a**

period of thirty (30) days or more.

(2) A tax on any transaction (except a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5) in which food or beverage is furnished, prepared, or served:

(A) for consumption at a location, or on equipment, provided by a retail merchant;

(B) in the unit; and

(C) by a retail merchant for a consideration.

(c) As used in this section, "income tax" means a tax on the adjusted gross income (as defined in IC 6-3-1-3.5) of a taxpayer of the unit.

(d) As used in this section, "sales tax" means a tax imposed on any transaction in the unit on which the state gross retail tax is imposed under IC 6-2.5.

(e) A unit may adopt an ordinance to impose:

(1) an income tax;

(2) an excise tax;

(3) a sales tax; or

(4) any combination of the taxes identified in subdivisions (1) through (3).

(f) The ordinance must provide:

(1) for the imposition and application of the tax or taxes;

(2) that, except as provided in subdivision (3), at least fifty percent (50%) of the revenues from the tax or taxes will be used first to:

(A) reduce:

(i) the unit's property tax levy; or

(ii) a particular property tax rate;

(B) provide property tax relief to taxpayers or classes of taxpayers, to the extent permitted by the Constitution of the State of Indiana; or

(C) provide a combination of the property tax relief as described in clauses (A) and (B);

(3) that the amount of revenues required to be used for property tax relief under subdivision (2) is reduced to the extent that the revenues from the tax or taxes are used to fund unfunded mandates imposed on the unit by a statute enacted by the general assembly, as determined by the department of local government finance during review of the unit's budget; and

(4) for the use of the revenues that are not used for the purposes described in subdivisions (2) and (3).

1 (g) If an income tax is imposed under this section, the
2 ordinance must provide that revenues from the tax will be paid,
3 collected, and distributed to the unit in the same manner as
4 revenues from the county option income tax are paid, collected,
5 and distributed to a county under IC 6-3.5-6.

6 (h) If an excise tax is imposed under this section, the ordinance
7 must provide that revenues from the tax will be paid, collected,
8 and distributed to the unit in the same manner as the state gross
9 retail tax is imposed, paid, and collected under IC 6-2.5.

10 (i) If a sales tax is imposed, the ordinance must provide that
11 revenues from the tax will be paid, collected, and distributed to
12 the unit in the same manner as the state gross retail tax is
13 imposed, paid, and collected under IC 6-2.5. However, the rate of
14 a sales tax imposed under this section may not exceed one percent
15 (1%) of the gross retail income received by a retail merchant in
16 a transaction.

17 (j) Two (2) or more units may adopt substantially identical
18 ordinances to jointly impose a tax under this section.

19 (k) The authority provided by this section is supplemental and
20 in addition to the authority provided to a unit under any other
21 provision of Indiana law.

22 (l) The department of local government finance may not reduce
23 a unit's property tax levy by the amount of revenue received from
24 a tax imposed under this section."

25 Renumber all SECTIONS consecutively.

(Reference is to ESB 1 as printed December 2, 2003.)

Representative Lytle